

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

IN RE:

W.R. GRACE & CO., *et al.*,

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

(Jointly Administered)

Objection Deadline: December 8, 2011 at 4:00 p.m.

Hearing Date: March 28, 2011 at 9:00 a.m.

**THIRTY-EIGHTH QUARTERLY FEE APPLICATION OF  
KRAMER LEVIN NAFTALIS & FRANKEL LLP, COUNSEL TO THE  
OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS, FOR  
COMPENSATION AND REIMBURSEMENT OF DISBURSEMENTS FOR  
THE PERIOD FROM JULY 1, 2011 THROUGH SEPTEMBER 30, 2011**

Name of Applicant:

Kramer Levin Naftalis & Frankel LLP

Authorized to Provide  
Professional Services to:

Official Committee of Equity Security Holders

Date of Retention:

As of July 18, 2001

Period for which compensation  
and reimbursement is sought:

July 1, 2011 through and including September 30, 2011

Amount of Compensation sought as  
actual, reasonable and necessary:

\$ 49,894.00

Amount of Expense Reimbursement  
sought as actual, reasonable and  
necessary:

\$ 2,308.18

This is a(n):          monthly                      X      interim application

**SUMMARY OF MONTHLY FEE STATEMENTS FOR KRAMER LEVIN  
NAFTALIS & FRANKEL – JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011**

<b>Fee Application Filing Date Docket No. Period Covered</b>	<b>Total Fees Requested</b>	<b>Total Expenses Requested</b>	<b>Total Amount of Fees and Expenses Requested</b>	<b>Amount of Fees Paid</b>	<b>Amount of Expenses Paid</b>	<b>Certification of No Objection Filing Date Docket No.</b>
09/06/2011 D.I. 27560 July 1, 2011 – July 30, 2011	\$27,311.00	\$1,499.88	\$28,810.88	\$21,848.80	\$1,499.88	09/28/2011  D.I. 27678
09/29/2011 D.I. 27689 August 1, 2011 – August 31, 2011	\$14,729.00	\$574.70	\$15,303.70	\$11,783.20	\$574.70	10/24/2011  D.I. 27820
10/26/2011 D.I. 27829 Sept. 1, 2011 – Sept. 30, 2011	\$7,854.00	\$233.60	\$8,087.60	\$0	\$0	Not yet filed
<b>Total</b>	<b>\$49,894.00</b>	<b>\$2,308.18</b>	<b>\$52,202.18</b>	<b>\$33,632.00</b>	<b>\$2,074.58</b>	

Current Period Unpaid:	Fees	\$16,262.00
	Expenses	\$ 233.60
	<b>Total</b>	<b>\$16,495.60</b>

Prior Periods Unpaid:	Fees	\$18,380.50
	Expenses	\$ 321.80
	<b>Total</b>	<b>\$18,702.30</b>

**TOTAL DUE:            \$35,197.90**

**SUMMARY OF OUTSTANDING FEES OWED TO  
KRAMER LEVIN NAFTALIS & FRANKEL THROUGH SEPTEMBER 30, 2011**

<b>Time Period</b>	<b>Fees and Expenses Requested</b>	<b>Fees and Expenses Approved</b>	<b>Fees and Expenses Paid</b>	<b>Fees and Expenses Owed</b>
April 1, 2002 - June 30, 2002	\$ 73,418.50 \$ 5,356.96	\$ 73,418.50 \$ 5,356.96	\$ 73,418.50 \$ 5,356.96	\$-0-
July 1, 2002 – September 30, 2002	\$ 87,266.50 \$ 10,070.69	\$ 86,576.50 \$ 9,737.19	\$ 86,576.50 \$ 9,737.19	\$-0-
October 1, 2002 – December 31, 2002	\$ 70,445.00 \$ 3,575.61	\$ 70,445.00 \$ 3,575.61	\$ 70,445.00 \$ 3,575.61	\$-0-
January 1, 2003 – March 31, 2003	\$ 51,487.00 \$ 1,619.93	\$ 51,487.00 \$ 1,619.93	\$ 51,487.00 \$ 1,619.93	\$-0-
April 1, 2003 - June 30, 2003	\$ 27,447.00 \$ 1,839.08	\$ 27,447.00 \$ 1,839.08	\$ 27,447.00 \$ 1,839.08	\$-0-
July 1, 2003 – September 31, 2003	\$ 34,092.00 \$ 497.86	\$ 34,092.00 \$ 497.86	\$ 34,092.00 \$ 497.86	\$-0-
October 1, 2003 – December 31, 2003	\$ 45,266.00 \$ 2,046.18	\$ 45,266.00 \$ 2,046.18	\$ 45,266.00 \$ 2,046.18	\$-0-
January 1, 2004 – March 31, 2004	\$ 31,674.50 \$ 1,451.43	\$ 31,674.50 \$ 1,451.43	\$ 31,674.50 \$ 1,451.43	\$-0-
April 1, 2004 – June 30, 2004	\$ 48,415.50 \$ 1,840.66	\$ 48,415.50 \$ 1,840.66	\$ 48,415.50 \$ 1,840.66	\$-0-
July 1, 2004 – September 30, 2004	\$ 47,550.00 \$ 995.20	\$ 47,550.00 \$ 995.20	\$ 47,550.00 \$ 995.20	\$-0-
October 1, 2004 – December 31, 2004	\$406,517.00 \$ 14,406.04	\$ 400,556.50 \$ 14,265.04	\$ 400,556.50 \$ 14,265.04	\$-0-
January 1, 2005 March 31, 2005	\$183,897.00 \$12,593.68	\$ 183,897.00 \$ 12,593.68	\$ 183,897.00 \$ 12,593.68	\$-0-
April 1, 2005 June 30, 2005	\$74,471.50 \$3,641.49	\$ 74,471.50 \$ 3,641.49	\$ 74,471.50 \$ 3,641.49	\$-0-
July 1, 2005 September 30, 2005	\$79,556.00 \$5,348.72	\$ 79,556.00 \$ 5,348.72	\$ 79,556.00 \$ 5,348.72	\$-0-
October 1, 2005 December 31, 2005	\$75,544.50 \$2,953.30	\$ 75,544.50 \$ 2,953.30	\$ 75,544.50 \$ 2,953.30	\$-0-
January 1, 2006 March 31, 2006	\$74,750.00 \$5,452.00	\$ 74,750.00 \$ 5,452.00	\$ 74,750.00 \$ 5,452.00	\$-0-
April 1, 2006 June 30, 2006	\$74,596.00 \$2,815.18	\$ 74,596.00 \$ 2,815.18	\$ 74,596.00 \$ 2,815.18	\$-0-

<b>Time Period</b>	<b>Fees and Expenses Requested</b>	<b>Fees and Expenses Approved</b>	<b>Fees and Expenses Paid</b>	<b>Fees and Expenses Owed</b>
July 1, 2006 September 30, 2006	\$147,269.00 \$4,500.72	\$ 147,269.00 \$ 4,500.72	\$ 147,269.00 \$ 4,500.72	\$-0-
October 1, 2006 December 31, 2006	\$238,312.00 \$14,195.38	\$ 238,312.00 \$ 14,195.38	\$ 238,312.00 \$ 14,195.38	\$-0-
January 1, 2007 March 31, 2007	\$163,379.00 \$15,286.40	\$ 163,379.00 \$ 15,286.40	\$ 163,379.00 \$ 15,286.40	\$-0-
April 1, 2007 June 30, 2007	\$187,246.00 \$19,482.62	\$ 186,592.23 \$ 19,482.62	\$ 186,592.23 \$ 19,482.62	\$-0-
July 1, 2007 September 30, 2007	\$208,619.50 \$9,223.40	\$ 205,265.50 \$ 9,223.40	\$ 205,265.50 \$ 9,223.40	\$-0-
October 1, 2007 December 31, 2007	\$398,236.50 \$76,834.62	\$ 394,987.81 \$ 76,834.62	\$ 394,987.81 \$ 76,834.62	\$-0-
January 1, 2008 March 31, 2008	\$247,502.75 \$9,033.91	\$ 247,502.75 \$ 9,033.91	\$ 247,108.84 \$ 9,033.91	\$-0-
April 1, 2008 June 30, 2008	\$240,744.75 \$11,571.63	\$ 240,744.75 \$ 11,571.63	\$ 240,744.75 \$ 11,571.63	\$-0- \$-0-
July 1, 2008 September 30, 2008	\$271,548.00 \$6,211.59	\$ 271,548.00 \$ 6,211.59	\$ 271,548.00 \$ 6,211.59	\$-0- \$-0-
October 1, 2008 December 31, 2008	\$207,976.00 \$9,026.63	\$206,706.00 \$8,976.63	\$206,706.00 \$8,976.63	\$-0- \$-0-
January 1, 2009 March 31, 2009	\$197,550.00 \$5,059.19	\$197,494.00 \$5,059.19	\$197,494.00 \$5,059.19	\$-0- \$-0-
April 1, 2009 June 30, 2009	\$215,996.50 \$5,645.60	\$215,996.50 \$5,645.60	\$215,996.50 \$5,645.60	\$-0- \$-0-
July 1, 2009 September 30, 2009	\$170,241.50 \$20,322.43	\$169,905.50 \$20,322.43	\$170,227.30 \$20,322.43	(\$321.80) \$-0-
October 1, 2009 December 31, 2009	\$68,306.75 \$3,366.52	\$68,306.75 \$3,366.52	\$68,306.75 \$3,366.52	\$-0- \$-0-
January 1, 2010 March 31, 2010	\$47,226.50 \$2,139.19	\$47,226.50 \$2,139.19	\$47,226.50 \$1,817.39	\$-0- \$321.80
April 1, 2010 June 30, 2010	\$14,079.00 \$650.36	\$14,079.00 \$650.36	\$14,079.00 \$650.36	\$-0- \$-0-
July 1, 2010 September 30, 2010	\$5,229.00 \$131.96	\$5,229.00 \$131.96	\$5,229.00 \$131.96	\$-0- \$-0-
October 1, 2010 December 31, 2010	\$16,846.00 \$247.86	\$16,846.00 \$247.86	\$16,846.00 \$247.86	\$-0- \$-0-
January 1, 2011 March 31, 2011	\$54,094.50 \$2,044.81	\$54,094.50 \$2,044.81	\$54,094.50 \$2,044.81	\$-0- \$-0-

<b>Time Period</b>	<b>Fees and Expenses Requested</b>	<b>Fees and Expenses Approved</b>	<b>Fees and Expenses Paid</b>	<b>Fees and Expenses Owed</b>
April 1, 2011	\$91,902.50	\$-0-	\$73,522.00	\$18,380.50
June 30, 2011	\$2,143.07	\$-0-	\$2,143.07	\$-0-
<b>July 1, 2011</b>	<b>\$49,894.00</b>	<b>\$-0-</b>	<b>\$33,632.00</b>	<b>\$16,262.00</b>
<b>September 30, 2011</b>	<b>\$2,308.18</b>	<b>\$-0-</b>	<b>\$2,074.58</b>	<b>\$ 233.60</b>
<b>TOTAL</b>	<b>\$4,728,593.75</b> <b>\$ 295,930.08</b>	<b>\$4,571,228.29</b> <b>\$ 290,720.73</b>	<b>\$4,678,310.18</b> <b>\$ 294,850.18</b>	<b>\$34,642.50</b> <b>\$ 555.40</b>

**SUMMARY OF TIME FOR BILLING PERIOD**

<b>Name</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Bentley, Philip	\$830.00	29.60	24568.00
Blabey, David E.	\$670.00	5.90	3953.00
Blabey, David E.	\$655.00	32.20	21091.00
Friedman, Joshua	\$470.00	0.60	282.00
<b>Total</b>		<b>68.30</b>	<b>\$49,894.00</b>

**COMPENSATION SUMMARY BY PROJECT CATEGORY FOR BILLING PERIOD**

<b>Project Category</b>	<b>Total Hours for the Period</b>	<b>Total Fees for the Period</b>
Case Administration	1.00	563.00
Creditor Committee	4.90	3702.50
Reorganization Plan	53.00	39440.00
Fee Applications, Applicant	4.40	2897.00
Bankruptcy Motions	5.00	3291.50
<b>Total</b>	<b>68.30</b>	<b>\$49,894.00</b>

**EXPENSE SUMMARY (Schedule of Disbursements)**

<b>Expense Category</b>	<b>Total Expenses For the Period 07/01/11 through 09/30/11</b>
Messenger/Courier	27.77
Cab Fares	7.00
Long Distance Tel	43.97
Document Retrieval	107.12
Research Services	14.00
Westlaw On-Line Research	1418.22
Meals/T&E	22.00
Out of Town Travel	340.25
Other Fees	327.85
<b>Total</b>	<b>\$2,308.18</b>

**WHEREFORE,** The foregoing summaries are submitted to the Court pursuant to the Amended Administrative Order under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members dated April 17, 2002 (the "Amended Administrative Order"). Pursuant to the Amended Administrative Order, Kramer Levin respectfully requests that, for the period **July 1, 2011 through September 30, 2011**, it be allowed the total amount of fees of **\$49,894.00** and disbursements of **\$2,308.18**, and that the Debtor be directed to pay all outstanding unpaid amounts.

Dated: November 18, 2011

KRAMER LEVIN NAFTALIS & FRANKEL LLP

By: /s/ David E. Blabey, Jr.

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Equity Security Holders